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Foreign CROPS AND MARKETS

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VOLUME 58 NUMBER 22

European Crop Outlook (Page 519)

Milk Production & Utilization (Page 519)

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UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

LATE NEWS

European crop conditions, as of mid-May, continue to point to a total crop production below that of the favorable 1948 season but considerably above that of the drought year 1947, according to the monthly survey of the Office of Foreign Agricultural Relations.

General rains in late April and the first half of May benefited crops materially but in a few areas of southern Europe they did not occur until after some crop deterioration had taken place and in others did not fully offset the dry winter and early spring.

In northern and western Europe the condition of crops generally continues excellent but some reduction in the grain acreage has occurred in the United Kingdom and Ireland and conditions in France are less favorable, particularly for coarse grains, than they were a year ago. This may result in a slight reduction in crops in this area compared with 1948.

In central Europe, crop conditions generally are below a year ago because of less-than-average rainfall. In western Germany a decline in breadgrain production is expected because of unfavorable weather and some shift to coarse grains. Southern European countries report that there was considerable deterioration of crops before the April rains and production prospects, especially for winter grains, was reduced.

Dry weather during the fall and early spring had hindered plantings and retarded crop growth in eastern European countries except Hungary, where conditions were much better than a year ago and larger acreages have been seeded. On the other hand in the Soviet Union spring planting is progressing well and winter grains are in good condition. Inadequacy of subsoil moisture is still a common complaint over most of southern and eastern Europe.

Several of the larger grain producing countries are reporting a breadgrain acreage no larger and in some cases somewhat smaller than in 1948, while only a few of the smaller countries show some expansion of

(Continued on Page 540)

FOREIGN CROPS AND MARKETS

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MILK PRODUCTION AND UTILIZATION IN PRINCIPAL PRODUCING COUNTRIES

Milk production in most of the major producing countries of the world in 1948 was somewhat higher than the year before. The larger output reflected the improved feed situation in practically all of the European countries, Australia and New Zealand. These increases more than offset the drop in production in the United States, Canada, Denmark and Sweden.

Significant increases occurred in western European countries, indicating a general recovery from the drought conditions of 1947. Also, in many of these European countries in 1948, the number of dairy cows was higher than in 1947. Denmark and Sweden were the only countries of continental Europe which did not increase milk production in 1948, largely because of a decline in cow numbers and a shortage of imported and indigenous feed supplies.

Favorable growing and producing conditions, together with somewhat higher cow numbers, increased milk production in Australia and New Zealand by 8 percent and 3 percent, respectively, in 1948, compared with a year earlier.

Although a slight upward trend in the number of cows in Canada occurred in 1948, relatively high prices for feed caused farmers to buy cautiously, resulting in a lower yield per cow and a decline in total milk production. In the United States, cow numbers were the lowest since 1931 and production in 1948 was below that of the previous year. Heavy postwar culling of cows accompanied by a high cost of feed in early 1948 and some shift of labor to more profitable alternative enterprises accounted for most of the decline in milk production.

Notwithstanding the feed shortage in early 1948, the yearly production per cow was higher in all countries except Canada. In the United States, the yield per cow set a new high record.

Milk utilization in the different countries in 1948 varied according to the domestic demands of the individual countries. Most Governments relaxed or removed their restrictions on milk utilization during 1948. Consequently, the uses to which milk were put in some countries were partially determined by regulation, and in others, partially by the prices paid for the different milk products. Fluid milk consumption generally increased throughout these countries.

The greatest proportion of the milk diverted to factory production, continued to be utilized in the manufacture of butter. However, in 1948, somewhat larger quantities of milk were directed into the manufacture of cheese and canned milk than in 1947.

Smaller quantities of milk were fed to livestock in most of these countries in 1948 than in the preceding year. Strong demand for fluid milk resulted in higher prices, thereby reducing the quantity available for feed.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report, the Committee was composed of Joseph A. Becker, Chairman, Elmer A. Reese, Charles C. Wilson, Regina M. Murray and Stanley Mehr.

MILK: Production and utilization in specified countries, 1948 (preliminary) and 1947

Country	Production			Utilization 1/					
	Milk cows 2/	Production per cow	Milk production	Fluid milk 3/	Butter	Cheese	Canned milk	Other uses 4/	Feed
	1,000 head	Pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1948									
Canada	3,701	4,497	16,645	5,610	8,137	998	738	364	748
United States	22,935	5,036	5/ 118,337	56,806	30,978	10,920	8,320	8,216	3,097
Austria	1,045	3,225	3,370	1,474	1,204	117	-	-	575
Belgium	850	7,270	6,179	1,885	3,468	133	5	8	680
Denmark	1,475	6,089	8,982	1,684	5,981	652	112	79	474
France	8,000	3,266	26,127	7,082	9,428	2,200	-	6/ 147	7/ 7,270
Netherlands	1,362	7,250	9,874	3,316	3,900	1,832	301	84	441
Norway	768	3,961	3,042	1,515	980	300	-	6/ 60	187
Sweden	1,704	5,754	9,805	3,585	4,762	620	-	128	710
Switzerland 8/	809	5,952	5,004	2,337	666	1,173	31	48	749
United Kingdom	3,583	5,606	20,085	16,130	948	618	433	586	1,370
Australia 9/	2,267	5,307	10/ 12,032	2,491	7,853	919	293	476	-
New Zealand 11/	1,714	5,445	12/ 9,333	800	6,400	1,733	-	6/ 133	267
1947									
Canada	3,697	4,664	17,241	5,885	8,136	1,400	666	337	817
United States	23,825	4,997	13/ 121,891	57,295	33,708	11,727	7,891	8,042	3,228
Austria	1,080	3,063	3,308	1,423	1,135	109	-	-	641
Belgium	820	6,649	5,452	1,714	3,020	104	5	9	600
Denmark	1,546	5,855	9,052	1,645	6,221	529	88	84	485
France	7,700	2,987	23,000	5,424	8,300	2,600	-	6/ 123	7/ 6,553
Netherlands	1,269	6,351	8,060	3,187	2,900	1,221	176	91	485
Norway	795	3,520	2,800	1,506	835	216	-	6/ 45	198
Sweden	1,808	5,545	10,027	3,534	5,066	516	-	128	783
Switzerland 8/	822	5,357	4,541	2,183	737	915	34	33	639
United Kingdom	3,540	5,188	18,365	14,986	865	392	309	443	1,370
Australia 9/	2,227	4,993	10/ 11,120	2,470	6,986	938	251	475	-
New Zealand 11/	1,658	5,469	12/ 9,067	667	6,267	1,844	-	6/ 111	178

1/ Includes farm uses. 2/ Includes, for the United States and Canada, cows kept mainly for milk, and for all other countries. cows producing over and above the requirements of the calf. 3/ Includes milk used for cream. 4/ Includes milk used for ice cream, dried whole milk, minor products, waste and balance. 5/ Total production is shown. Production on farms,-115,511 million pounds. 6/ Includes canned milk. 7/ Includes both hand-fed milk and milk sucked by calves. 8/ Production and utilization include goats' milk. 9/ Year ending June 30. 10/ Excludes milk fed to calves. 11/ Year ending July 31. 12/ Utilization of butterfat converted to milk equivalent on the basis of 4.5 percent fat content. 13/ Total production is shown. Production on farms,-119,065 million pounds.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics, United States Foreign Servicc reports, and other information.

MILK: Production and utilization in specified countries, 1934-38

Country	Production			Utilization 1/					
	Milk cows 2/	Production per cow	Milk production	Fluid milk 3/	Butter	Cheese	Canned milk	Other uses	Feed
	1,000 head	Pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Canada	3,816	4,138	15,789	4,645	8,197	1,411	273	472	791
United States	23,933	4,291	5/ 105,416	43,559	43,729	6,449	4,607	4,333	2,739
Austria 6/	1,210	4,630	5,602	3,068	1,212	661	-	-	661
Belgium	967	7,022	6,790	1,433	4,321	163	15	42	816
Denmark	1,658	7,047	7/ 11,684	1,433	9,314	331	-	8/ 55	551
Finland	1,309	4,268	5,587	2,556	2,735	205	-	-	91
France 9/	8,022	3,921	31,457	7,932	10,933	4,864	-	8/ 200	10/ 7,528
Germany	10,076	5,270	7/ 53,100	16,100	28,100	2,400	-	500	6,000
Italy	3,466	3,968	11/ 13,750	3,700	2,700	3,600	24	626	3,100
Netherlands	1,460	7,658	11,180	2,321	5,536	2,291	-	8/ 520	512
Norway	807	3,660	7/ 2,954	1,124	1,111	489	-	8/ 53	177
Sweden	1,922	5,327	7/ 10,238	3,283	5,170	782	-	8/ 44	959
Switzerland 12/	902	6,297	7/ 6,041	2,125	1,497	1,303	-	8/ 49	1,067
United Kingdom	3,300	5,583	18,424	11,100	2,800	1,008	647	686	2,183
Australia 13/	2,545	4,629	14/ 11,780	1,612	9,466	444	15/ 258	-	-
New Zealand	1,807	5,232	16/ 9,454	532	6,922	1,754	-	8/ 57	189

1/ Includes farm uses. 2/ Includes, for the United States and Canada, cows kept mainly for milk, and for all other countries, cows producing over and above the requirements of the calf. 3/ Includes milk used for cream. 4/ Includes milk used for ice cream, dried whole milk, minor products, waste and balance. 5/ Total production is shown. Milk production on farms,-102,590 million pounds. 6/ For the year 1934. 7/ For the years 1933-1937. 8/ Includes canned milk. 9/ For the years 1937 and 1938. 10/ Includes both hand-fed milk and milk sucked by calves. 11/ For the year 1938. 12/ Production and utilization include goats' milk. 13/ For the years ending June 30. 14/ Excludes milk fed to calves. 15/ Includes dried whole milk. 16/ Utilization of butterfat converted to milk equivalent on the basis of 4.5 percent fat content.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics, United States Foreign Service Reports, and other information.

COMMODITY DEVELOPMENTS

FATS AND OILS

U.S. PRINCIPAL POSTWAR PRODUCER AND EXPORTER OF LARD

The United States is by far the principal lard-producing and lard-exporting country of the world. In the postwar years this country has produced about half of the world's lard output with most of the remaining production having come from the U.S.S.R., Italy, France and China.

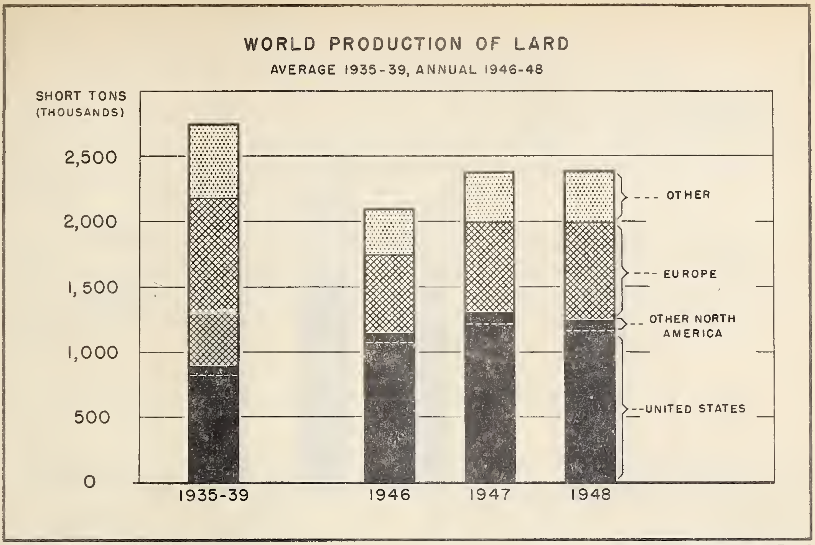
In the last 4 years the United States has accounted for 87 percent of the world's exports of lard (see chart), with the small balance having been exported mainly from Argentina, Denmark and New Zealand. The principal lard-importing countries in the postwar period have been the United Kingdom, France and Cuba each of which has taken 16 to 18 percent of the world's lard imports.

(World production of lard was summarized in Foreign Crops and Markets of April 25, 1949. A detailed statement on world lard production and trade is contained in Foreign Agriculture Circular, FFO 5-49, obtainable from the Office of Foreign Agricultural Relations.)

U. K. TAKES LARGE SHARE OF POSTWAR TALLOW IMPORTS

The United Kingdom took 42 percent of the world's total imports of tallow in the last 4 years (see chart). Cuba, Mexico, Canada and France together accounted for an additional 27 percent. Argentina, New Zealand, United States, and Australia, the principal exporting countries in the order named, together accounted for over 75 percent of the total volume exported.

(A summary of world production of tallow was published in Foreign Crops and Markets, May 2, 1949. A detailed statement of world tallow production and trade is contained in Foreign Agriculture Circular, FFO 5-49, obtainable from the Office of Foreign Agricultural Relations.)



WORLD PRODUCTION OF LARD

AVERAGE 1935-39, ANNUAL 1946-48

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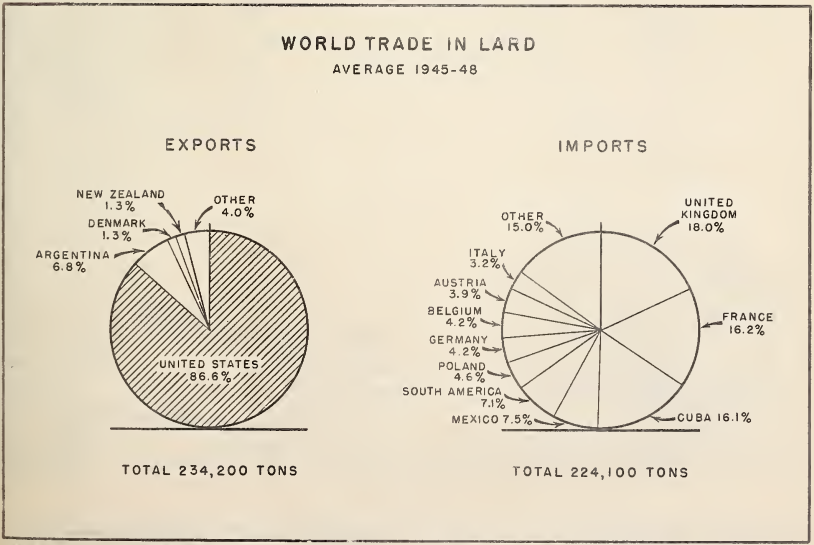

WORLD TRADE IN LARD

AVERAGE 1945-48

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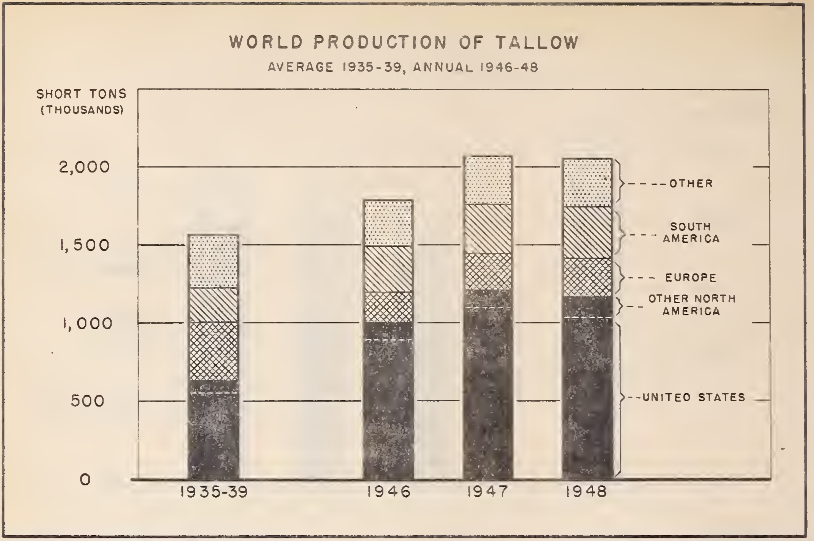

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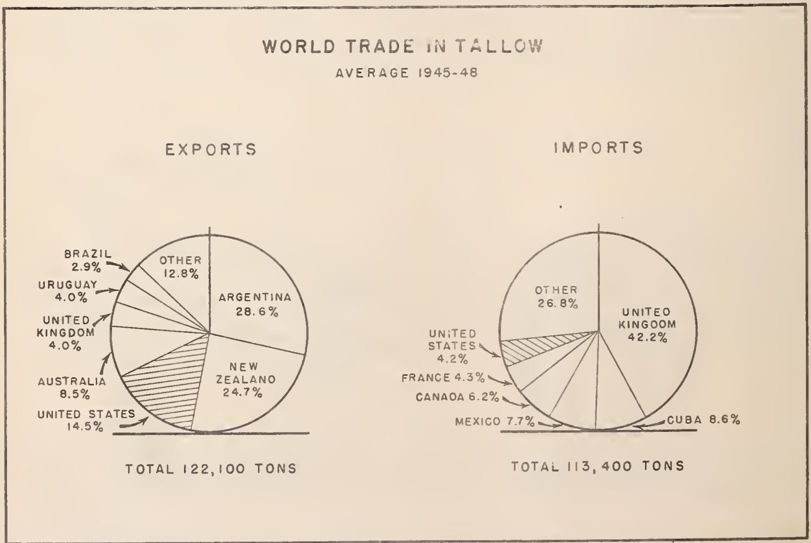

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MALAYAN PALM OIL AND KERNEL EXPORTS INCREASE OVER 1948

Malayan palm oil exports during the period January-March 1949 amounted to 20,671 short tons, 9,587 tons in January, 5,322 in February, and 5,762 in March. This was an increase of 47 percent over the 14,075 tons exported in the corresponding months of 1948. Total 1948 shipments came to 54,668 tons. Over 98 percent of the exports for the first quarter of 1949 went to the United Kingdom.

Malaya exported 2,241 tons of palm kernels during the first 3 months of this year compared with 1,622 tons for the same period of 1948 and 7,249 tons for the total year. This year's monthly shipments amounted to 907,608, and 726 tons, respectively. Approximately 72 percent of the January-March exports were destined to France and 28 percent to The Netherlands.

MALAYA: Palm kernels and palm oil exports, January-March 1949 with comparisons

(Short tons)

Country	Palm kernels			Palm oil		
	Average 1935-39	1948	Jan.-Mar. 1949 1/	Average 1935-39	1948	Jan.-Mar. 1949 1/
Canada	-	-	-	9,599	-	-
United States	-	-	-	608	-	-
Denmark	226	-	-	-	-	-
France	-	1,477	1,614	-	-	56
Germany	1,410	-	-	-	-	-
Italy	134	-	-	-	1,270	67
Netherlands	1,304	805	619	-	234	-
United Kingdom	2,115	4,967	8	23,270	52,290	20,289
Other Europe	2,897	-	-	54	17	-
Burma	-	-	-	187	-	-
China	-	-	-	-	-	45
Cyprus	-	-	-	-	14	1
Hong Kong	-	-	-	-	463	-
India	-	-	-	908	17	6
Indonesia	-	-	-	35	102	-
Japan	46	-	-	922	-	-
Siam	-	-	-	293	-	-
Syria	-	-	-	-	101	123
Other Asia	-	-	-	87	-	56
Egypt	-	-	-	251	159	26
Other Africa	-	-	-	109	-	-
Oceania	-	-	-	52	-	1
British Possession	-	-	-	10,416	1	1
Other countries	-	-	-	569	-	-
Total	8,132	7,249	2,241	47,360	54,668	20,671

1/ Preliminary.

American Consulate General, Singapore.

GRAINS, GRAIN PRODUCTS AND FEEDS

NO RICE EXPORTS FROM RIO GRANDE DO SUL IN THE FIRST QUARTER

No rice was exported during the first quarter of 1949 from Rio Grande do Sul, the principal rice-exporting State of Brazil. Exports totaled 120 million pounds during the first quarter of 1948, and average exports during the first 3 months of the years 1944 to 1948 were around 50 million pounds a quarter.

Domestic rice shipments from the State of Rio Grande do Sul to other States in Brazil during the first quarter totaled 44 million pounds compared with 78 million in the corresponding period of 1948, and with the average of 50 million pounds in the first 3 months of the years 1944 to 1948. The sharp decline in total deliveries from this State during the first quarter is due to the exportation in 1948 of all rice except stocks sufficient for local consumption and small shipments to other Brazilian States. Rio Grande do Sul's rice harvest usually is completed in May.

RIO GRANDE DO SUL: Rice shipments to Brazilian States, January-March 1949, with comparisons

State	Average 1936-40	1946	1947	1948 1/	January-March 1/ 1948	January-March 1/ 1949
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Federal District	136	142	113	280	60	29
Rio de Janeiro	9	21	53			
Sao Paulo	84	0	0 2/	53	2	2
Parana	12	1	0 2/	3/	3/	3/
Bahia	7	21	16	17	4	3
Pernambuco	9	21	17	22	5	3
Others	13	30	36 2/	45	7	7
Total shipments	270	236	235	477	78	44
Foreign exports	71	309	214	392	120	0
Shipments and exports	341	545	449	869	198	44

1/ Preliminary. 2/ Does not include approximately 60 million pounds shipped to Sao Paulo and Parana by rail. 3/ Not separately reported.

Rio Grande do Sul Rice Institute.

PARAGUAY PLANS TO EXPORT RICE

The exportable surplus of rice from Paraguay's 1949 harvest is officially estimated at 6.6 million pounds milled, according to Robert W. Moore, Second Secretary, American Embassy, Asuncion. This includes only the top grade Blue Rose which competes best in world markets. The crop usually is harvested in April and May.

The first rice shipment will be to Finland. The contract for this delivery, which is not a part of the quantity mentioned above, is for 66,000 pounds of medium-quality milled rice. The minimum price for export rice will probably be $8.72 per 100 pounds, f.o.b. Asuncion, the price of the exports to Finland.

BRAZIL HARVESTING AVERAGE CORN CROP

The 1948-49 corn harvest, now nearing completion in Brazil, is unofficially placed at about 215 million bushels, according to the Agricultural Attache, American Embassy, Rio de Janeiro. A crop of that size would be the same as the average for 1935-39, but slightly smaller than the present estimate of 220 million bushels for last year's production.

Earlier-season prospects had been for a larger crop, possible 225 to 235 million bushels. Unfavorable weather in parts of the principal producing regions, however, prevented realization of the expected high yields. Current prospects are for an average yield per acre smaller than normal, though slightly above last year's.

Relatively high prices for animal products in Brazil have increased the demand for feed, and, if the present levels continue, the crop is not expected to fill domestic needs. Despite this situation, some exports may be expected from northeastern Brazil, where any surplus is usually exported. The high cost of shipping corn from this region to deficit areas in central and southern Brazil makes it too expensive for domestic feeding.

Brazil's consumption of corn last season was about equal to production. Increased use for human consumption was reported as a result of the high price of wheat flour.

Corn prices varied considerably during the past year, wholesale prices advancing from $1.79 per bushel in October to as high as $2.50 per bushel in mid-November. Advanced prices reflected the seasonal shortage. With reports of a large crop generally expected, the price receded to $1.97 in December. Present asking price for all grades of corn was reported at $2.22 per bushel in March, the rise being attributed to reduced prospects for the current crop.

CORRECTION

In the article "Argentine Corn Crop Smaller" in Foreign Crops and Markets of May 23, 1949 (Vol. 58 No. 21), prices reported paid to corn producers should have been $1.17 per bushel for the current season and $1.06 for the 1948-49 season.

TROPICAL PRODUCTS

BRITISH WEST AFRICAN CACAO PRODUCTION HIGHER

The 1948-49 exportable production of cacao from the Gold Coast and Nigeria is now expected to exceed 860 million pounds. This compares with a 645 million pounds in 1947-48 and the annual average, 1935-39, of 825 million pounds, according to the American Consulates General in Accra and Lagos.

The unusually heavy crop in 1948-49 results from very favorable weather conditions, the coming into bearing of new plantings, and output from old neglected trees brought back into production as a result of the high price of cacao beans.

Provisional 1948-49 allocations of exportable production of British West African cacao by the International Emergency Food Committee, totaled approximately 870 million pounds. E.C. Tansley, Managing Director of the Gold Coast Cocoa Marketing Co., and the Nigerian Produce Marketing Co., recently announced, however, that it may not be possible to meet the entire allocations. He stated that 746 million pounds of the total of 820 million pounds of main-crop cacao had already been sold by May 1, 1949.

The 1948-49 Gold Coast main-crop of cacao amounted to about 595 million pounds, and the Nigeria main-crop exceeded 225 million pounds. The mid-crop is still being harvested. It is expected to be smaller than in 1947-48, because a large main-crop is normally followed by a smaller than usual mid-crop, the trees being unable to yield a large mid-crop following a heavy main-crop. The mid-crop in the Gold Coast is expected to be about 28 million pounds, and in Nigeria about 12 million pounds. The total 1948-49 exportable production of cacao is estimated at 623 million pounds for the Gold Coast and 237 million pounds for Nigeria.

TOBACCO

CANADA'S 1948 TOBACCO PRODUCTION LARGER; INCREASED ACREAGE FORECAST FOR 1949

Canada's 1948 tobacco crop was 19 percent larger than the 1947 production, according to the Dominion Bureau of Statistics. An increase of about 7 percent in the acreage planted to tobacco is forecast for 1949.

The country's 1948 crop, previously forecast at 109.0 million pounds, is now estimated at 126.6 million pounds from 110,590 acres, as compared with 106.7 million pounds from 125,267 acres in 1947 and an annual average of 99.6 million pounds from 88,400 acres during the 5-year period, 1942 through 1946. The 1948 yield per acre of 1,145 pounds was 34 percent larger than the 1947 low yield of 852 pounds and slightly above the 1942-46 average of 1,127 pounds per acre.

Flue-cured leaf accounted for 81 percent of the total production in 1948, as compared with 82 percent in 1947 and 83 percent in the 1942-46 period. Production of this type in 1948 totaled 102.4 million pounds from 90,874 acres. In addition to flue-cured leaf, Canada in 1948, produced 12.8 million pounds of Burley, 1.9 million pounds of dark, 8.4 million pounds of cigar, and 1.0 million pounds of pipe tobacco leaf.

CANADA: Tobacco acreage and production, 1948
with comparisons

Type	Acreage			Production		
	Average 1942-46	1947	1948	Average 1942-46	1947	1948
	Acres	Acres	Acres	1,000 pounds	1,000 pounds	1,000 pounds
Flue-cured	73,286	103,694	90,874	82,338	86,863	102,442
Burley	8,748	13,200	10,706	10,285	12,640	12,841
Dark	1,444	1,885	1,728	1,713	1,781	1,944
Cigar	3,211	4,238	6,463	3,636	3,729	8,402
Pipe	1,711	2,250	819	1,618	1,675	1,000
Total	88,400	125,267	110,590	99,590	106,688	126,629

Dominion Bureau of Statistics.

The area to be planted to tobacco in 1949 is forecast at 117,930 acres or an increase of about 7 percent over the acreage harvested in 1948. The forecast by types is as follows: flue-cured, 101,020 acres, up 11 percent from 1948; Burley, 10,500 acres, down 2 percent; dark, 1,300 acres, down 25 percent; cigar, 4,300 acres, up 2 percent; and pipe, 810 acres, or about the same as in 1948.

FINLAND'S TOBACCO IMPORTS AT RECORD LEVEL

Finland's 1948 imports of leaf tobacco were the largest on record and were almost double the prewar average, according to the American Legation in Helsinki.

Leaf imports in 1948 totaled 14.6 million pounds, as compared with 6.8 million pounds in 1947 and an annual average of 7.5 million pounds in the prewar, 1934-38, period. Turkey, Greece, and the United States were the chief sources of supply in 1948. These countries supplied 25, 23, and 22.9 percent, respectively, of total leaf imports. Other countries supplying substantial quantities of leaf include Brazil, Bulgaria, and the U.S.S.R.

FINLAND: Imports of leaf tobacco, 1948
with comparisons

Country of Origin	Average 1934-38	1946	1947	1948
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Turkey	1/ 1,395	716	2,435	3,658
Bulgaria	1/	352	87	691
Greece	2,360	129	650	3,369
U.S.S.R.	625	1,436	526	728
Brazil	330	200	863	1,021
United States	1,229	746	1,666	3,349
Other Countries	1,546	738	596	1,802
Total	7,485	4,317	6,823	14,618

1/ Import data for Turkey and Bulgaria reported together.

Official and Consular reports.

Imports of United States leaf totaled 3.3 million pounds in 1948, as compared with 1.7 million pounds in 1947 and an annual average of 1.2 million pounds in the 1934-38 period. Only about 55 percent of the United Stated leaf imported into Finland in 1948 was purchased in this country. The remainder was purchased in other European countries, principally in the United Kingdom, Belgium, and the Netherlands.

ALGERIA'S TOBACCO PRODUCTION LARGER; EXPORTS DECLINE

Algeria's 1948 tobacco crop is estimated at about 21 percent above the 1947 crop, according to the American Consulate in Algiers. The area planted to tobacco in 1948 was 29 percent below 1947, but the yield per acre was higher. Leaf exports in 1948 were about 13 percent smaller than in 1947.

The 1948 tobacco crop is officially estimated at 43 million pounds from 51,026 acres, as compared with 35.6 million pounds from 71,758 acres in 1947 and an annual average of about 38.7 million pounds from 56,161 acres in the prewar, 1935-39, period. The 1948 yield per acre of 843 pounds was 70 percent larger than the low 1947 yield of 495 pounds per acre, and was 22 percent above the prewar average yield of 691 pounds per acre. The larger yield in 1948 was due to very favorable weather during the growing season and the increased availability of commercial fertilizers for use on the crop.

Leaf exports in 1948 totaled 17.8 million pounds as compared with 20.5 million pounds in 1947 and an annual average of 25 million pounds in the 1935-39 period. France was the most important outlet for Algeria's leaf in 1948, taking 9.7 million pounds, or about 54 percent of the country's total leaf exports. About 7.9 million pounds, of 44 percent of the total went to French colonies. The Netherlands took about 200 thousand pounds, or most of the remaining exports.

POLAND'S TOBACCO PRODUCTION AT RECORD LEVEL; IMPORTS DECLINE

Poland's 1948 production of leaf tobacco was the largest on record, while imports of leaf declined from the level of the previous year and was far below prewar, according to the American Embassy in Warsaw.

The country's 1948 tobacco crop has been estimated at 48 million pounds, as compared with 26.5 million pounds in 1947 and a prewar, 1934-38, annual average of 25.1 million pounds. Since Poland's boundaries have changed several times since 1939 current and prewar data are not fully comparable. However, in the boundary changes which have occurred Poland lost more tobacco producing districts than it gained.

The area planted to tobacco in 1948 was placed at 35,859 acres, as compared with 29,652 acres in 1947 and an annual average of 14,990 acres in the 1934-38 period. The 1948 yield per acre of 1,338 pounds was 50 percent larger than the low 1947 yield of 892 pounds per acre, but was 20 percent below the prewar average yield of 1,673 pounds per acre.

Leaf imports in 1948 totaled 6.6 million pounds, as compared with 8.3 million pounds in 1947 and an annual average of 18.5 million pounds in the 1934-38 period. Practically all 1948 leaf imports came from Bulgaria and Yugoslavia.

COTTON AND OTHER FIBER

COTTON-PRICE QUOTATIONS ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange:

COTTON: Spot prices in certain foreign markets, and the U.S. gulf-port average

Market location, kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
Alexandria		Kantar			
Ashmouni, Good	5-26	99.05 lbs.	Tallari	45.95	38.31
Ashmouni, F.G.F.	"	"	"	43.45	36.23
Karnak, Good	"	"	"	76.75	64.00
Karnak, F.G.F.	"	"	"	72.50	60.45
Bombay		Candy			
Jarila, Fine	"	784 lbs.	Rupee	620.00	23.86
Broach, Fine	"	"	"	650.00	25.01
Kampala, East African	"	"	"	(not	available
Karachi		Maund			
4F Punjab, S.G., Fine	5-25	82.28 lbs.	"	87.00	31.90
289F Sind, S.G., Fine	"	"	"	93.50	34.28
289F Punjab, S.G., Fine	"	"	"	95.50	35.01
Buenos Aires		Metric ton			
Type B	5-24	2204.6 lbs.	Peso	a/4000.00	
Lima		Sp. quintal			
Tanguis, Type 5	5-26	101.4 lbs.	Sol	(not	quoted)
Pima, Type 1	"	"	"	450.00	
Recife		Arroba			
Mata, Type 4		33.07 lbs.	Cruzeiro		
Sertao, Type 5		"	"		
Sao Paulo					
Sao Paulo, Type 5	5-26	"	"	189.00	31.09
Torreon		Sp. quintal			
Middling, 15/16"	"	101.4 lbs.	Peso	197.00	23.40
Houston-Galveston-New Orleans av. Mid. 15/16"	"	Pound	Cent	XXXXX	32.38

Quotations of foreign markets reported by cable from U. S. Foreign Service posts abroad. U. S. quotations from designated spot markets.

a/ Nominal.

CANADIAN COTTON CONSUMPTION CONTINUES AT HIGH LEVEL 1/

Cotton consumption in Canada continued at a high level during the first 4 months of 1949, averaging 34,500 bales (500 pounds gross weight) per month as compared to a monthly average of 30,000 bales during the 1947-48 season. Consumption in the first 9 months of the current season (August through April) totaled 297,550 bales, which was about 35 percent above the prewar rate. If the present trend is maintained, cotton consumption in Canada should be about 400,000 bales in the 1948-49 season, the highest level in the postwar period but still far under the war record of 506,577 bales achieved in 1941-42.

Several factors contributed to this increased cotton consumption. Most important was the imposition of quotas on imports of cotton textiles from the United States, which reduced such imports in 1948 by 50 percent from the previous year. Imports from the United Kingdom failed to reach the 80-million-yard goal set for 1948 by more than 50 percent. This reduced supply of imported goods gave Canadian manufacturers an opportunity to expand production. Canadian mills used about 20,000 more bales of cotton in 1948 than in 1947, but further expansion was limited by both capacity and by the available labor supply. The number of workers has been increasing slowly and steadily during the past year and absenteeism has declined. Mill capacity is increasing and mechanization of operations is being pushed to decrease the number of man-hours required per unit.

Canada imported 247,000 bales of cotton in the first 8 months of the current season (August through February). Imports of raw cotton from the United States in the August-March period amounted to 202,000 bales as compared to 77,300 bales over the entire 1947-48 season.

Canada's takings of Mexican cotton have declined sharply during the current season, and indications are they will remain relatively small for the remainder of the crop year. Imports of Mexican cotton during the August-March period of the current season are reported at 40,800 bales or 16 percent of total imports, as compared to 72,110 bales or 42 percent over the entire 1947-48 season. With supplies of raw cotton running low in India, Brazil, and Peru, imports from these sources are at a very low level.

Imports of cotton from the United States are expected to continue high through the remainder of the 1948-49 season and have a good chance of reaching 300,000 bales.

With a few exceptions the demand for cotton goods in Canada remains strong. The Canadian Government accordingly has increased the

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1/ Based on a report by Quentin R. Bates, Assistant Agricultural Attache, American Embassy, Ottawa.

quota on cotton textile imports from the United States and certain other countries from 32 to 40 percent of the 1946-47 base period, applicable to the remaining 3 quarters of the present calendar year. Also of great significance was the announcement that the special duty-free status of the British cotton and rayon textiles will not be extended beyond the original deadline of June 30, 1949.

With continued restrictions on United States imports and tariffs restored to British textiles, Canadian mills are expected to continue to operate at a high level for the remainder of the 1949 calendar year.

ITALIAN COTTON CONSUMPTION SHOWS SLIGHT INCREASE

Italian cotton consumption was still showing a slight upward trend in the first quarter of 1949, according to Joseph E. Wiedenmayer, Economic Attache, American Embassy, Rome. Raw cotton consumption in March was reported at approximately 83,000 bales and 240,000 bales for the first quarter of 1949. This is about 10 percent above the corresponding period of 1948. Cotton consumption in the first 8 months of the current season has been estimated at 590,000 bales. If the present rate is maintained, consumption should reach 900,000 bales in the 1948-49 season as compared to 875,000 bales during the 1947-48 season.

Cotton imports in the first quarter of 1949 were reported at 275,200 bales, of which 75 percent came from the United States. United States exports to Italy during the first 8 months (August through March) of the current season were 430,560 bales This compares with 70,000 bales exported to Italy over the entire 1947-48 season. Total cotton shipments to Italy, authorized under the ECA program, from April 1, 1948, to May 24, 1949, amounted to 492,000 bales.

Mill and port stocks of raw cotton were reported at 300,000 bales on March 31, 1949, or about 3-1/2 months' supply at current rates of consumption.

Preliminary statistics on Italian cotton exports show they were well above the corresponding period of 1948 but below the high level reached during November and December of 1948. Insufficient demand for cotton textiles has been the chief limiting factor on cotton consumption. In prewar years Italy normally exported 35 to 40 percent of its cotton textile production. With production of cotton textiles well above the prewar level, export markets have become increasingly important. Cotton yarn exports are running 50 percent above 1938. However, cotton fabric exports are little more than one-third the prewar level and total cotton textile exports are running at about the prewar level in quantity.

For the calendar year 1949 the Italian Cotton Institute estimates that cotton textile production will be approximately the same as in 1948. Its forecast is based upon the following points: (1) both domestic and foreign sales declined during the first quarter of 1949 as compared with the fourth quarter of last year; (2) no very favorable trade agreements were arranged with several of the countries which were traditional outlets for Italian cotton products; (3) competition from other exporting countries is increasing; (4) domestic demand is relatively weak due to the low living standards of the working population; and (5) uncertainty continues as to the international monetary situation.

LIVESTOCK AND ANIMAL PRODUCTS

THE CURRENT CATTLE AND BEEF SITUATION IN ARGENTINA

Heavy rains fell in the cattle-raising and fattening zones of Argentina during the months of February and March, according to George J. Dietz, Assistant Agricultural Attache, American Embassy, Buenos Aires. As a result, the pastures are currently in better-than-average condition and have made satisfactory replacement growths after each grazing. It also enabled farmers to prepare the soil and to seed alfalfa and winter forage grains. With the exception of a dry area in the western extremity of Buenos Aires Province, the winter forage and grazing prospects were excellent with adequate feed available to carry fattening stock through the winter.

From the viewpoint of current marketings, cattle receipts at frigorificos (export packing houses) and Liniers market in Buenos Aires for the first quarter of 1949 were down slightly, amounting to 1,044,154 head, compared with 1,083,051 head in 1948. Direct shipments to packers fell off, totaling 219,770 head for the first 3 months of 1949, compared with 266,676 head in 1948 and 392,035 head in 1947. Purchases at Liniers Market, however, increased slightly during the first quarter, reaching 824,384 head as compared with 816,376 in 1948 and 761,477 in 1947. An increasing number of cattle sold at this market were light in weight and unfinished.

The municipal slaughterhouse of Buenos Aires slaughtered and handled 1,700,000 head out of a total of 3,300,000 head in 1948. This slaughterhouse furnished the carcasses for Buenos Aires and represented more than half of the country's consumption. The average dressed weight was close to 400 pounds per animal in 1948. However, the average weight for all cattle slaughtered in the entire country for January and February of 1949 was around 506 pounds, compared with 550 pounds for the same period a year earlier.

Domestic demand for meat continues to be strong. This is further substantiated by the preference for medium and lighter weight animals for local slaughter rather than feeding, as normally, to heavier weight for export. Dropping off of frigorifico marketings and direct shipments during the first quarter of 1949 also indicate the tendency to lighter weights for domestic consumption. There is some holding back of animals in anticipation of higher export prices. Cattle receipts in the market during April were reported to have dropped off 15 percent from the March receipts because of the reluctance of producers to accept present prices.

During January and February of this year, the exports of canned corned beef to the United Kingdom reached 11.1 million pounds, compared with 9.4 million pounds to the United States. The relative trade position of the United States and the United Kingdom in regard to canned corned beef was reversed in 1948, when the United States took 62 percent of the total exportation of 224.5 million pounds. The British received only 24 percent. During 1947, however, the United Kingdom lifted 75 percent of the total and United States 12 percent. Trade sources indicate that the total corned beef exportations dropped from 293.8 million pounds in 1947 to 224.5 million pounds in 1948, a decrease of about 23 percent. Considerable effort was put forth by the Government last fall to introduce the "Pampa Brand Corned Beef" to the world market.

Cattle growers and packer interests are following very closely the current negotiations between the British Trade Mission and the Argentine Government by which shipments of frozen, chilled and canned meat to the United Kingdom may be continued. The trade is generally agreed that a new contract involving an upward revision in prices may be expected, but the extent of increase is as yet undetermined.

At the present time, the cattle industry is disrupted by uncertainties about future prices, extremely heavy taxation, threat of expropriation and, in general, the lack of an incentive to expand. Because of inability to sell grain, some farmers are shifting from cereal production to cattle raising. Shortage of labor also has caused some sheep producers to turn to cattle. Farmers and cattlemen are confronted with a lack of farm machinery and are also unable to compete for efficient labor because of the higher wages paid by industry.

FRUITS, VEGETABLES AND NUTS

EXPORTABLE BEANS IN CHILE, 1949

An estimated 590,000 bags of beans are about ready for export from Chile according to the American Embassy, Santiago. These beans are from the harvest now nearing completion. Some sources in Chile estimate the quantity at considerably above this figure.

Assuming, however, that 590,000 bags will be exported in 1949, this quantity would be made up of about 266,000 bags of arroz beans; 155,000 cristales; 155,000 red kidneys; 10,000 red Mexican and 4,000 pallares.

Arroz beans are similar to the pea beans grown in Michigan. Cristales and red kidneys are similar to the marrows and red kidneys grown in New York.

During 1947 and 1948 Chile exported 740,000 and 795,000 bags respectively to the United States, Cuba and other destinations as indicated in the following tables.

BEANS, dry edible: Exports from Chile, by destination, 1948

(Rounded to nearest 100 bags)

Kind	United States	Cuba	Latin America	Europe	Total
			Bags of 100 pounds		
Arroz	138,700	-	2,400	212,100	353,200
Cristales	29,700	73,200	16,200	123,900	243,000
Red Kidney	900	127,700	21,800	900	151,300
Red Mexican	-	10,500	-	-	10,500
Pollares	-	-	4,000	-	4,000
Others	5,500	14,100	13,800	-	33,400
Total	174,800	225,500	58,200	336,900	795,400

American Embassy, Chile.

BEANS, dry edible: Exports from Chile, by destination, 1947

(Rounded to nearest 100 bags)

Kind	United States	Cuba	Latin America	Europe	Total
			Bags of 100 pounds		
Arroz	223,900	-	5,500	171,700	401,100
Cristales	39,000	59,400	10,300	92,200	200,900
Red Kidney	600	93,600	27,100	3,300	124,600
Red Mexican	100	11,800	200	-	12,100
Pollares	-	1,100	-	-	1,100
Others	-	-	200	-	200
Total	263,600	165,900	43,300	267,200	740,000

American Embassy, Chile.

Whether the United States will import any Chilean beans in 1949 will depend largely upon competitive prices. About May 1, the Chilean prices at port warehouses were about $7.15 per bag for arroz, $7.25 for cristales and $7.90 for red kidneys. About the same time delivered prices in New York were $8.20 to $8.50 for pea beans and $9.85 to $10.00 for red kidney.

Delivery of Chilean beans in the New York market would require the payment of about 80 cents per bag for c.i.f. costs plus an import duty, during 4 months May 1 to August 31), of $2.00 per bag on red kidneys and $1.50 on arroz and cristales. Addition of these costs to the Chilean price would bring the cost of Chilean beans in New York to approximately $1.05 per bag higher than the domestic price plus importers markups. Therefore there seems little likelihood of the United States importing beans from Chile this year so long as present price relationships in the two countries prevail.

In the Cuban market, however, where both the United States and Chile sell red kidney beans the situation may be different. Shipments of all beans to Cuba from the United States and Chile in recent years have been as indicated below in bags of 100 pounds:

Year	United States (largely red kidney)	Chile
1945	111,000	342,000
1946	31,000	301,000
1947	514,000	165,000
1948	576,000	225,500

The cost of delivering United States red kidney beans to the Cuban market over Cuban tariffs and with prices at early May levels, would be roughly $13.10, as compared to the Chilean cost of $11.42. These costs include the following:

	Cost of beans	Cuban duty	c.i.f. cost	total cost
United States..........	$10.15 1/	$1.70	$1.25	$13.10
Chile..................	7.90	2.27	1.25	11.42

1/ Includes export costs.

The latest report from Chile states:

"The market for export type beans is firm, as it was throughout most of 1948. Red kidney beans, which for a time during 1948 suffered considerably from United States competition, are again in demand and bringing a good price. Sweden cleaned up a good amount of the old crop and Cuba is interested in the new. The United Kingdom is once more actively in the market for arroz beans and is also interested in cristales. The prices being offered, however, are below those at which both varieties of beans were sold last year, and the offer for cristales is practically the same as that for arroz although cristales are traditionally more expensive. Competition from other sources may keep British offers low, some exporters feel, while others think there is a possibility that if sufficient supplies are not available at the low price, better offers may later develop."

LATE NEWS

(Continued from Page 519)

wheat and rye acreage. As a result, there appears to be a decline in the total breadgrain acreage. The acreage of coarse grains on the other hand may increase. Some decline in the potato acreage may be offset by an increase in the acreage of sugar beets. Several countries also have reported some increase in the acreage planted to oilseed crops and winter damage to such crops was slight. Pasture conditions in northern and western Europe are generally reported in very good condition but in other parts the low winter and spring rainfall has reduced pasture and hay crops.

Except for heavy frost damage in Belgium and Luxembourg, fruit prospects are reported good to excellent, particularly in eastern Europe.

(More detailed information, including a summary of crop conditions by countries, is obtainable from the Office of Foreign Agricultural Relations.)

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A new trade agreement between the Belgo-Luxembourg Economic Union and Hungary, signed on February 18, 1949, provides for the following grains to be imported from Hungary: 1.6 million bushels of corn, 207,000 bushels of oats, 230,000 bushels of barley and 65,000 bushels of malt. The American Embassy in Brussels also reports that this agreement is to be in force for a period of 12 months.

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